

VZCZCXRO8115
OO RUEHDBU RUEHFL RUEHKW RUEHLA RUEHNP RUEHROV RUEHSL RUEHSR
DE RUEHVB #0458/01 2091126
ZNY CCCCC ZZH
O 281126Z JUL 09
FM AMEMBASSY ZAGREB
TO RUEHC/SECSTATE WASHDC IMMEDIATE 9426
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE IMMEDIATE

C O N F I D E N T I A L SECTION 01 OF 02 ZAGREB 000458

SIPDIS

E.O. 12958: DECL: 01/01/2018
TAGS: [PREL](#) [PGOV](#) [SI](#) [HR](#)
SUBJECT: CROATIAN PM'S FOREIGN POLICY ADVISOR ON UPCOMING
MEETING WITH SLOVENE PM PAHOR

REF: LJUBLJANA 183

Classified By: Rick Holtzapple, PolEcon Counselor, for reasons 1.4 (b)
& (d).

SUMMARY

¶1. (C) PMs Kosor and Pahor will meet Friday, July 31, at 11:30 at Trakoscan castle in northern Croatia. The GoC would like to present a three-step solution for unblocking Croatia's EU accession negotiations and restarting negotiations on an eventual arbitration process for the border dispute. This proposal appears very similar to what Slovenian PM Pahor described to Embassy Ljubljana three weeks ago (reftel). The Croats have floated their proposal, at least in general terms, with PM Pahor's foreign policy advisor Markovec. The Slovene reaction has not been negative, but cautious. The GoC would very much like for the U.S. to support the approach in meetings with Slovene FM Zbogar on July 28 and 29 in Washington. The Croatians would also very much appreciate our reaction to this proposal, or feedback on any Slovene reaction, prior to the Trakoscan meeting. END SUMMARY.

¶2. (C) Charge and PolCouns met on July 28 with Davor Stier, foreign policy advisor to Croatian Prime Minister Jadranka Kosor. Stier confirmed that Kosor would meet Slovene PM Pahor for the first time on Friday, July 31 at 11:30 a.m. local time in Trakoscan castle north of Zagreb. Stier said the fact that the PMs had agreed to meet was a very positive step, and that the GoC was sensitive to the fact that there could only be one "first" meeting between the two PMs, and that the Croatians saw this as a chance to "create a new chemistry" in the relationship.

¶3. (C) Stier noted that the Croatia did not believe that a final solution to the border dispute with Slovenia was a vital national interest per se. Croatia was perfectly willing to live with the status quo with minor disputes over the border, just as many current EU member states do. But, a vital Croatian strategic goal is to accede to the EU, and therefore Croatia saw the need to reach agreement with Slovenia on a way forward.

¶4. (C) Croatia's red-line, Stier said, was that the determination of the border must be based on international law. If territorial concessions were made on a political basis, even as a means to gain accession to the EU, then there would be no way that the GoC could win the required referendum on Croatia's EU accession treaty. Stier noted that Croatia was constitutionally required to hold a referendum on the EU Treaty, unlike in Slovenia where any referendum on Croatia's accession would be optional. Therefore, he argued, Croatia's political sensitivities regarding how the border dispute was handled are even greater than Slovenia's.

¶5. (C) Stier said that the Kosor government was preparing a three-part proposal on how to move forward. The first part

would be a declaration affirming that no Croatian acts since 25 June 1991, including any documents submitted in the EU accession process, were prejudicial to the border determination. Stier said the GoC was open to any specific format for the declaration that the Slovene government desired. It could be a joint declaration, a unilateral Croatian declaration, a governmental decree, or a parliamentary resolution. The second part would be Slovenia lifting its blocks on all of Croatia's negotiating chapters, to allow the accession negotiations to move forward. The third part would be a commitment by Croatia that it was prepared to continue talks on the border issue with the assistance of the EU. Croatia, for domestic political reasons, would not refer to this as a continuation of the "Rehn process," but if that is what Slovenia called it in its own statements, Zagreb would not object.

16. (C) Stier added that the GoC felt the U.S. could play a helpful role in this process. He suggested that the U.S. could help make clear to Zbogar during his meetings in Washington that Croatia was prepared to continue negotiations on the basis of the Rehn proposal, but that Zagreb could not do it while still under the Slovene blockade. U.S. support for the approach outlined above, not necessarily presenting it as a Croatian proposal but as something we could support, would also help convince Pahor to accept it. He acknowledged that the Slovenes did not trust Croatia to then follow through on such negotiations, but that assurances from Washington that the U.S. would act as a sort of guarantor that Croatia would negotiate seriously could reassure Pahor. Similarly, Croatia felt that U.S. attention would help ensure that Slovenia "really lifts the blockade." PolCouns asked

ZAGREB 00000458 002 OF 002

whether the Croatians could accept some language in the three-part agreement that would require agreement on an arbitration process, based on Rehn, prior to the conclusion of Croatia's EU accession. Stier said the GoC would not propose such language and would prefer to avoid trying to put too much detail into the agreement. A reference to timing could be seen as a political move to force Croatia to agree to Rehn. But if the Slovenes insisted on this sort of guarantee regarding timing, the GoC "could accept something."

17. (C) Stier said he had discussed these ideas in some form with his counterpart in Ljubljana, Marko Makovec, and Stier believed the Slovenes were open to this approach, but very cautious. The Slovenes seemed to fear that Croatia would celebrate the unblocking of the accession negotiations, and then forget about the commitment to continue the border negotiations. Stier insisted Zagreb was looking for a "win-win" agreement. The GoC was seriously prepared to continue discussions over the Rehn drafts, and could even discuss ways to defuse the problems with the "junction" language in the latest draft. But Zagreb did not want to do this while still under a negotiation blockade. Slovenia would have many more opportunities to delay Croatia's EU progress if it felt Zagreb were not negotiating in good faith on the border process. But the Kosor government was under real pressure. With the economic crisis hitting Croatia, and EU accession blocked, Croatia "has no present and no future." It is vitally important to restore Croatia's EU perspective.

18. (C) Stier said he hoped the U.S. could support this approach with Zbogar, and said that any feedback we could provide about our or the Slovenes' reaction to these ideas before the Friday meeting at Traksocan would be extremely useful.

19. (C) COMMENT: The Prime Minister's office is clearly committed to trying to get some progress with Slovenia. We are reassured that the two PMs' staffs have done at least some of the preparatory work needed to see some progress at Trakoscan. And we are struck by how closely Stier's proposal mirrors that described by PM Pahor to Charge Freden on July

¶3. Given that both sides have now expressed interest in such an approach, we see no reason that A/S Gordon and/or the Secretary should not urge Zbogor to move ahead in this way. While this proposal does not solve the tough issues remaining within the Rehn texts (junction, timing, selection of arbitrators), it does increase the commitment of the Croatians to deal seriously with them.

WALKER